CHAPTER IV

STREAMLINE THE INTELLIGENCE COMMUNITY

Press reports and other unofficial sources consistently place the budget for the U.S. intelligence community at roughly $28 billion. Assuming that such estimates are correct, intelligence spending constitutes more than 10 percent of the Department of Defense budget (where almost all of it is hidden). Reflecting their substantial budgetary magnitude, intelligence activities are critical--in determining not only how well the U.S. military performs in wartime, but also when and if it will engage in combat.

Some effort to improve the functioning of the more than 20 intelligence agencies has occurred in recent years, notably in the creation of Joint Intelligence Centers at the level of the military commands. In addition, the intelligence budget, though escaping the early rounds of defense reductions relatively intact, is now taking cuts. According to unclassified accounts, today's $28 billion figure reflects a real decline since 1990 of some $5 billion in the annual intelligence budget. Moreover, further declines in the intelligence budget seem likely to occur in the rest of the decade--as evidenced by existing plans to reduce personnel by about 23 percent in comparison with the peak levels attained around 1990 (those reductions are now roughly halfway complete). Thus, the intelligence community may already be undergoing sufficient reorganization and streamlining--especially given the daunting tasks it continues to face in attempting to monitor and understand terrorism, nuclear proliferation, and other potential threats to U.S. security.

But a number of observers, including Senator Sam Nunn, Chairman of the Senate Committee on Armed Services, remain interested in the possibility that greater efficiencies--and real savings--may result from further changes in intelligence activities and organizations. This chapter, building on the ideas of lawmakers with expertise acquired on Congressional committees that oversee intelligence, discusses several such possible changes.

One approach to achieving such economies would rely heavily on organizational changes, perhaps like those discussed in the McCurdy, Boren, and Moynihan bills.[1] Another would remain agnostic on such organizational matters. However, it would scale back resources devoted to intelligence on the assumption that some of its missions--such as many of those focusing on

1. These bills are, respectively, H.R. 4165, S. 2198, and S. 1682.

economic, environmental, and antinarcotics matters--are not central to U.S. security and can be handled at least as effectively through other parts of the U.S. government or the private sector.

Either way, the Congressional Budget Office has assumed that another 5 percent cut in spending--making for a total reduction of perhaps 25 percent since 1990, and translating into at least $1 billion a year--could eventually be achieved by the measures discussed in this chapter. But most of the cuts in spending would not occur until the next decade, after the current round of cuts has been completed.

The principal elements of the intelligence community include several major independent or quasi-independent organizations: the Central Intelligence Agency (CIA), created in 1947, with an annual budget reported to be about $3 billion and a staff of nearly 20,000; the National Security Agency, created by secret Presidential decree in 1952, with a reported budget of around $4 billion and a staff of more than 30,000; the National Reconnaissance Office, with a budget of perhaps $7 billion dominated by hardware costs for rockets and satellites; and the Defense Intelligence Agency (DIA), created by the Secretary of Defense in 1961, with an annual budget of around half a billion dollars and a staff of some 5,000.[2]

The other half or so of the intelligence community includes the intelligence arms of the individual military services--each of which reportedly employs on the order of 10,000 to 15,000 people and spends perhaps $2 billion to $3 billion a year--as well as the intelligence staffs of the military's warfighting organizations such as the Central Command. Smaller intelligence programs are found in the Departments of the Treasury, Energy, and State.

Among these organizations, the Central Intelligence Agency is the major independent organization in the U.S. government charged with following developments in other countries. The product of an earlier era of defense restructuring, it was created by the 1947 National Security Act that also gave rise to the Air Force and the Joint Chiefs of Staff. The CIA is intended to provide the President and the rest of the National Security Council with data and analysis on a broad range of topics, untainted by the interests of specific departments within the government. Its leader is also the top-ranking intelligence official in the country and is designated the Director of Central Intelligence (DCI). The reforms suggested in the Boren, McCurdy, and Moynihan bills focus largely on the CIA and the DCI. Other approaches to

2. Walter Pincus, "White House Labors to Redefine Role of Intelligence Community," *The Washington Post*, June 13, 1994, p. A8.

cutting intelligence spending discussed in this chapter might also result in substantial savings in CIA spending, but could in addition substantially affect the scope and budgets of other intelligence agencies.

In many ways, U.S. intelligence and the Director of Central Intelligence have successfully played the role of independent voices in the U.S. government, providing a wealth of data and analysis about the economies, military forces, and political structures of many other countries. By so doing, they have provided the basis for negotiating arms control treaties, responding quickly and effectively to crises, and ensuring that a surprise attack against the United States was not under way.

In addition, the apparent redundancies within the intelligence community have provided policymakers with different points of view that have enriched the policy debate. For example, the CIA's estimates of Soviet military spending and arms acquisitions were consistently lower than those of Department of Defense intelligence (and both agencies' estimates were available to policy makers); the views of the National Security Agency about the likelihood of a Mideast war in 1973 proved more accurate than the less alarmist views of other intelligence agencies; and the beliefs that the then Director of Central Intelligence, John McCone, conveyed to President Kennedy in 1962--that the Soviet Union had placed missiles in Cuba--were correct, though the Director's analysts had doubted it.

However, the intelligence community often has not fit the idealized model of a set of information gatherers and classified think tanks that transcend politics and engage in dispassionate, illuminating debate. Partly because of its culture of secrecy and thus insularity, partly because of its strong links with the military, and partly because its Director is chosen by the President, the intelligence community has often shown just as much proclivity to reflect partisan and prevailing geopolitical biases as other parts of the U.S. government.

Even when not biased, its conclusions have frequently been wrong. Of course, infallibility would be an unreasonable standard for any organization. But during the Cold War, the intelligence community's analyses often overestimated the military and economic threats posed by the Soviet Union and the Warsaw Pact. In many cases, political leaders have shared responsibility for the policy failures that are blamed on intelligence.[3] But the fact

3. See, for example, McGeorge Bundy, *Danger and Survival* (New York: Vintage Books, 1988), pp. 334-338 and 350-351; and Richard K. Betts, *Surprise Attack* (Washington, D.C.: Brookings Institution, 1982), pp. 51-62.

remains that many basic assessments provided by the intelligence community over the years have been flawed.

Moreover, the intelligence community contains elements that go beyond collecting and analyzing information. In particular, the CIA is actually three functional organizations in one--and one of those organizations does not consistently fit the mold implied by the title Central Intelligence Agency. Directorates of intelligence and of science and technology do focus on acquiring and analyzing data, but the directorate of operations presides over work that sometimes is less neutral and dispassionate. It includes the important and sometimes underrated gathering of "street-level" information abroad, including the use of spies (so-called human intelligence or HUMINT). But it has often included covert activities--including a hand of some sort in the overthrow of leaders in Guatemala, Zaire, Iran, and Vietnam early in the postwar era; the organization of the 1961 Bay of Pigs invasion and subsequent efforts to topple the Castro regime; the overthrow of Salvador Allende in Chile in 1973; and the mining of Nicaraguan harbors and arms-for-hostage dealings with Iran in the 1980s. Most of these activities were conducted in extreme secrecy, without the knowledge of the Congress and with the knowledge of only a very few in the Administration. In the latter two examples, the Congress was kept in the dark despite the existence of laws requiring that the intelligence committees be notified in advance.[4]

PROPOSALS FOR RETHINKING INTELLIGENCE

Citing the mixed results of past intelligence efforts, the new challenges of the post-Cold War world, or the need to reduce budgets without sacrificing key elements of intelligence, a number of influential policymakers have recommended changes in the basic way in which the United States organizes the intelligence community and its operations.

Reportedly, today's intelligence budget is still considerably larger in real terms than during the Carter or early Reagan years, when annual budgets were perhaps one-third less than the peak levels of the late 1980s. In the specific case of the CIA, cuts planned by the Administration, though sizable, reportedly would leave the organization about as large as it was before the Reagan-Casey era buildup.[5] By the end of the decade, DoD active-duty

4. Daniel Patrick Moynihan, "Remarrying Congress and the C.I.A.," *The New York Times*, February 11, 1987, p. A27.

5. Walter Pincus, "CIA Struggles to Find Identity in a New World," *The Washington Post*, May 9, 1994, p. A1.

personnel and spending will have declined to about two-thirds of typical Cold War levels (taking 1990 as a typical year).[6] But according to press reports, intelligence personnel and spending levels will have declined by only about 20 percent from levels of the late 1980s and early 1990s. It is probably inappropriate that cuts in the intelligence community--which might be considered the nation's insurance policy of sorts--be strictly proportional to the reductions occurring in military forces. But further cuts in the intelligence community of several percent--as discussed in this chapter--may be reasonable in an era when the United States no longer has a major military rival.

Plans That Would Change the Structure of the Intelligence Community

A number of plans to change the structure of the intelligence community have been proposed over the years.

One idea for consolidating intelligence activities, put forth by the Pike Committee in the 1970s, proposed the elimination of the Defense Intelligence Agency. The DIA is essentially a mini-CIA serving the Secretary of Defense and Chairman of the Joint Chiefs of Staff. Such an approach would offer savings of one-quarter to one-half the magnitude of those discussed in this chapter. Thus, in isolation, it would not be sufficient to achieve the magnitude of savings discussed here, but could be part of a broader effort.

Another plan, that of Senator Daniel Patrick Moynihan, formerly Vice Chairman of the Senate Select Committee on Intelligence, would eliminate the CIA. Under the Moynihan approach, the CIA's formal advisory responsibilities would pass to the State Department. (Those parts of its analytic and data-gathering arms that the country chose to retain might be divided up largely between the State and Defense departments.)

Other ideas--including those of recent Chairmen of the House and Senate Intelligence Committees, Senator David Boren and Congressman Dave McCurdy--would make equally fundamental changes in U.S. intelligence. Two new agencies, organized along somewhat different lines than today's National Security Agency and National Reconnaissance Office, would be created to gather information: one from electronics and communications sources, and another from overhead imagery. An independent intelligence chief would be retained, but redesignated as Director of National Intelligence. That person would be responsible for the overall intelligence budget. A much smaller

6. Congressional Budget Office, "Planning for Defense: Affordability and Capability of the Administration's Program," CBO Paper (March 1994), pp. 7, 10.

residual CIA would focus its attention on human intelligence activities only; a new central organization would focus exclusively on analysis.[7]

The Boren and McCurdy approaches would not necessarily lead to any reductions in intelligence personnel or budgets. But under such a major restructuring, the opportunity for streamlining might naturally present itself. Under the Moynihan approach, cuts in personnel seem implied. However, some current CIA personnel might be relocated in order to buttress the staffs of the Defense Intelligence Agency and the State Department's Office of Intelligence and Research.

The impetus for reforming U.S. intelligence is not limited to Democrats. Ideas for restructuring the community were considered during the tenure of Robert Gates, Director of Central Intelligence during the Bush Administration. At present, Senator John Warner, former ranking minority member of the Senate Armed Services Committee and current ranking minority member of the Senate Intelligence Committee, as well as former Senator Warren Rudman, now vice chairman of the President's Foreign Intelligence Advisory Board, have lent their weight to a rethinking of the intelligence community's basic shape and structure. Former President Bush's national security advisor, General Brent Scowcroft, has recently described the intelligence community as "way overblown."[8]

Plans That Would Change the Missions of the Intelligence Community

Whether or not organizational changes would improve the functioning of the intelligence community, they are not guaranteed in and of themselves to produce budgetary savings. A more direct way to reduce the taxpayer's burden without doing damage to core intelligence missions is to reduce attention to those missions that might be deemed less important.

But what might those less critical missions be? One possible answer to this question would proceed from the premise that the overriding goal of U.S. intelligence activities is to contribute to the direct and traditional national security of the United States--that is, the physical security of its territory and its overseas interests against violence or subterfuge. Accomplishing that goal might well require attention to new missions from time to time. For example,

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7. See David L. Boren, "The Intelligence Community," *Foreign Affairs* (Summer 1992); Ernest R. May, "Intelligence Reform," *Foreign Affairs* (Summer 1992); Senate bill S. 2198; and House bill H.R. 4165.

8. Pincus, "White House Labors to Redefine Role of Intelligence Community," p. A8.

given the potential for organized crime in Russia to wreak havoc with that country's excess weaponry, and given the weakness in its central government, U.S. intelligence may need to devote greater resources to monitoring export controls and weapons security in a country that remains a nuclear superpower.

Nevertheless, focusing on the goal of national security, fairly narrowly defined, might allow one to downgrade a host of missions not directly related to actual security concerns. Those missions might include collecting and analyzing data on national economies, trade, narcotics production, environmental matters, and trends in human health.[9]

All of these issues are important, some critically so, to the future of the United States and indeed to the world at large. But does that mean they must remain within the province of the intelligence community? Civilian organizations such as the National Oceanographic and Atmospheric Administration and the National Aeronautics and Space Administration already focus on satellite surveillance of environmental conditions. International financial institutions and the private sector spend a great deal of time and resources tracking global economic trends and transactions (though the U.S. intelligence community may be better positioned to follow illicit economic activities). Technical research centers and universities may be just as well equipped as intelligence agencies to understand the long-term economic and military effects of technological innovation. Medical research centers and organizations such as the National Institutes of Health and the World Health Organization are probably much better able to monitor human health indicators. Drug war efforts, although useful, do not necessarily hold out enough promise to justify the concerted attention of several elements of the intelligence community.

Even the mission of political forecasting may have its proper limits. Over the decades, the intelligence community has misread the political strength and the policy goals of many important foreign leaders--both friends and adversaries. It was too optimistic in judging the political staying power of allies such as the Shah of Iran and President Diem of South Vietnam.[10] To be sure, trying to predict the unpredictable is unlikely to be a consistently successful undertaking. But if some events and trends are difficult to foresee even with access to multiple secret sources, one may ask if substantial U.S.

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9. For such a view, see the statement of Roy Godson, Associate Professor of Government at Georgetown University, before the House Permanent Select Committee on Intelligence, March 17, 1992, Part II, p. 334.

10. Gary Sick, *All Fall Down* (New York: Random House, 1985), pp. 6-11, 92; George C. Herring, *America's Longest War* (New York: Alfred A. Knopf, 1986), pp. 44, 49, 54, 78.

intelligence resources really should be devoted to such efforts. General political analysis conducted at universities and the Department of State may be every bit as useful--and more likely to be properly caveated and subject to critical scholarly review.

Given these other sources of information and analysis, it is not clear that an organizational structure designed to preserve and enhance U.S. national security should continue to focus on all of its current missions. Unfortunately, CBO does not have access to data that would provide a basis for estimating the potential savings associated with eliminating them from the intelligence community's portfolio. But those savings are likely to be significant, reaching or perhaps exceeding the illustrative $1 billion a year level discussed in this chapter.

COUNTERARGUMENTS TO RESTRUCTURING AND STREAMLINING THE INTELLIGENCE COMMUNITY

Whatever the flaws of the intelligence community, and however mixed its historical record may be, policymakers considering reforms and budget cuts would need to be very careful that they were not making pursuit of the best into the enemy of keeping a relatively efficient and effective organizational framework.

Some of the following considerations apply only to one or two of the possible ways in which the intelligence community might undergo restructuring or streamlining of its roles and missions. Others are of general applicability.

The Need to Avoid the "Monday Morning Quarterback" Mentality

To be sure, the intelligence community has often failed to foresee important events or understand important realities and trends in foreign states. But how does one understand the mind of a tyrant in a secretive state to determine when and if he might launch a surprise attack? How does one measure GDP and military spending in a state-controlled economy that does not publish honest economic data? How can one reliably predict the course of political events in foreign countries when Americans are often surprised by the course of politics in their own country? It would be unfair to expect the intelligence community to predict the future with confidence.

Moreover, in trying to predict the unpredictable, U.S. intelligence has often done well. Even where its estimates have been flawed--as with the

Soviet missile gap, for example, where they may have contributed to an arms competition--they have helped policymakers maintain a viable deterrent against major potential adversaries. Sometimes, as in its assessments of Soviet economic growth, the intelligence community has made mistakes but later discovered and corrected for them.

The Need to Keep a Vigorous Intelligence Community

Although the intelligence budget remains large today, that may be appropriate. Arguably, the key U.S. security concerns of the post-Cold War world are stopping proliferation of weapons of mass destruction, predicting the possible onset of ethnic and regional conflict in time to try to avert it diplomatically or with preventive deployments of forces, and understanding the nature of Islamic fundamentalism and other powerful political movements. In contrast to the Soviet threat of recent decades, these problems are often best addressed in their early stages--rather than through the use of large-scale military deterrence or military operations.

Given such circumstances, any tampering with U.S. intelligence should be undertaken only if very well conceived and likely to lead to improved results. A slightly redundant organizational structure that ensures a competitive dynamic to intelligence work should perhaps be seen not as wasteful but rather as a wise insurance policy.

In this regard, an annual intelligence budget that totals roughly $5 billion a year less than recent Cold War levels--as today's reportedly does--may be sensible. The end of the Cold War has meant little change in the intelligence community's responsibilities in places such as the Middle East, the Indian subcontinent, and other areas of the developing world. Although the end of global geopolitical conflict has reduced the need to track every move of Moscow's in those countries, the risks of ethnic conflict, proliferation, and terrorism arguably remain at least as severe as before. This conclusion is supported by data on the prevalence and intensity of conflict around the globe, a survey of trends in the proliferation of weapons of mass destruction, and the ferocity of global terrorist incidents. And reconnaissance and analysis of the former Soviet Union--which reportedly required about half of the intelligence community's resources and budget during the 1980s, or about $15 billion a year--remain important even if not as pressing as before.

The current director of the CIA, R. James Woolsey, addressed the matter of budget cuts in the intelligence community in this way: "We have to do it in a way that we don't lose track of what is happening in Iran, Iraq, Libya,

North Korea or other trouble spots. If we have a crisis with North Korea or a repeat of the World Trade Center bombing, with ugly chemicals used instead of explosives, the same people who now are asking why we need the CIA will be asking why we didn't have better intelligence."[11]

The historical record also provides ample evidence of what intelligence can do well. For example, the intelligence community's analyses of trends in other countries' militaries, though not always accurate, have accomplished the critical goal of ensuring that policymakers not be surprised by the military buildup of a potential adversary. Its monitoring capabilities have made possible arms control treaties that led to substantial reductions in Soviet military forces in Europe and that helped stop and turn back the nuclear arms race. Its early-warning sensors have ensured that the United States would not be caught entirely unprepared by a surprise attack--in the process perhaps helping to deter such a surprise attack. The intelligence community has also helped the United States provide assistance to allies, be it military reconnaissance during conflict or reassurance to potential belligerents that they were not under attack from each other (as in the aftermath of Mideast wars).[12] It has played supporting roles in other domains as well, a good example being the assistance it provided to Colombia in 1993 in tracking drug kingpin Pablo Escobar.

In wartime, the intelligence community is critically important to U.S. military forces, especially so in an era of warfare characterized largely by precision-guided munitions. Its capabilities provided targeting information to U.S. military forces in operations such as Desert Storm. They also facilitated the famous "left hook" by which U.S. ground forces ran around Iraqi positions and quickly reached the flanks and supply lines of those forces.

The Importance of Objective Intelligence and Analysis

An independent intelligence agency--and its independent director, unencumbered by policy responsibilities and reporting directly to the President--can promote objectivity in intelligence gathering. Today, the Director of Central Intelligence is one of three statutory advisors (along with the Chairman of the Joint Chiefs of Staff and the Director of the Arms Control and Disarmament Agency) to the National Security Council (which consists of four individuals:

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11. David S. Broder, "Countering Critics, Defending Decisions," *The Washington Post*, May 12, 1994, p. A11.

12. See Michael Krepon and Peter D. Constable, *Confidence-Building, Peace-Making and Aerial Inspections in the Middle East* (Washington, D.C.: Henry L. Stimson Center, 1992), p. 4.

the President, the Vice President, the Secretary of State, and the Secretary of Defense). Thus, he is not only independent but has direct access to top-level policymakers.

The Moynihan proposal would spell the end of an independent and influential top intelligence officer. Congressman Bud Shuster, also a one-time member of a Congressional intelligence committee, opposed Senator Moynihan's idea several years ago chiefly for this very reason and pointed out its drawbacks. In his words, "Giving the Secretary of State chief responsibility for intelligence raises the specter of 'cooking' intelligence to support a preconceived policy. The separation of intelligence-gathering and foreign policy is a fundamental principle."[13]

The Boren and McCurdy approaches would retain a top-level intelligence chief. However, at least under CBO's interpretation of their approach--which could leave the head of national intelligence with a significantly smaller analytic agency under his immediate control--the chief of national intelligence might be weakened bureaucratically in some ways.

If the problem today is that the Director of Central Intelligence is not independent enough, one might argue that it makes more sense to enhance his independence rather than to eliminate or reduce it. And there may well be ways to do so without eliminating the CIA. For example, an appointment process for the CIA director more akin to that for the board of directors of the Federal Reserve could be expected to reduce the politicization of the agency. At the Federal Reserve, the term of the Chairman does not coincide with that of the President, and the President does not have the authority to fire the Chairman once appointed and confirmed.

The current CIA model--especially in cases where the director is relatively nonpartisan and highly professional--may be more likely to generate objective intelligence than a model placing the Secretary of State at the top of the intelligence community. The latter individual might be more tempted to slant intelligence findings to support the policies of the incumbent Administration. In fairness, however, it should be noted that a stronger intelligence unit within the State Department might in some cases help improve formulation of those policies in the first place.

If an independent intelligence chief was considered important by policymakers, the Moynihan proposal would probably be undesirable. The Boren and McCurdy proposals might not be quickly dismissed, but they too

13. Bud Shuster, "Independence Means Integrity," *The New York Times*, May 19, 1991, p. E17.

might be greeted with skepticism until more intensely scrutinized for their likely impact on the role of the nation's top intelligence official.

The Need to Allocate Resources Optimally

How many imaging satellites does the United States need? Given the constraints of a tight budget, should it buy more of them--and if so, what kinds? Or should it channel more of its resources to specialists in Arabic, or to new sensors for tactical aircraft responsible for reconnaissance in theaters of potential combat, or to improved satellite detectors for missile launch?

Those types of questions must be addressed effectively. They involve, however, complicated matters of advanced technology, intelligence operations, warfighting analysis, and the like. Wrestling with them is probably well beyond the capability of an already-busy Secretary of State who is unlikely to be highly competent in matters of intelligence gathering and analysis anyway. Thus, under the Moynihan approach, key decisions about allocating resources for intelligence probably would fall to a lower-ranking and less prominent individual. Addressing such issues may not be beyond the capabilities of a director of national intelligence as envisioned in the Boren and McCurdy bills. But if charged with all such budgetary responsibilities for the intelligence community, such an individual might need to spend a disproportionate amount of time studying the arcana of technical systems at the expense of providing broader political analysis on a wide array of topics to the President, other parts of the executive branch, and the Congress.

Similar concerns would apply to decisions about how to employ scarce resources during crises and other demanding scenarios. For example, suppose that a crisis occurred in the Persian Gulf while widespread fighting with horrific humanitarian implications was occurring in some other part of the world. To the extent that the geography of these crises placed mutually exclusive demands on satellites, who would choose how to allocate them? Presumably, all top-level officials would choose to dedicate at least some resources to the crisis with the most acute relevance to U.S. national security. But the Department of State, with its broad concerns about regional politics and human rights and the like, might well have different preferences than DoD. Under the current system, and perhaps under the Boren or McCurdy approaches too, the Director of Central Intelligence could play the role of arbiter. But without such a figure (as under the Moynihan approach), the State Department might have a hard time competing effectively with the Defense Department for the control of systems effectively funded out of the

DoD budget and, in all likelihood, better understood by military officials than by diplomats.

Organizational Issues

Restructuring the intelligence community would provide little guarantee in advance that new structures would work any better--or even as well. For example, consolidating analysts more centrally might reduce the healthy competitive dynamic that exists between analysts at different agencies in the community today. Separating analysts from hardware specialists and data "collectors" might lead to poor decisions about how data should be collected and weaken analysts' understanding of the quality and reliability of various data.[14] While changes were being put in place, moreover, the performance of intelligence agencies might well suffer as new procedures and lines of command were worked out.[15]

PRACTICAL ISSUES: TIMING AND BUDGETS

This option, if carried out strictly by reducing the intelligence community's personnel level, would thin its ranks by about 8,000 individuals above and beyond what current plans dictate. Intelligence personnel are being reduced in number by perhaps 3,000 people a year at present. This additional cut, if implemented at that pace, would require about three years beyond 1999 to complete.

At the slightly accelerated pace envisioned in this chapter, however, additional reductions would begin in 1999. They would continue, at a somewhat faster pace, in the years 2000 and 2001. (Organizational structures, top-level chains of command, and missions could, however, change more quickly if desired, perhaps in the next two to three years.)

Under this specific option, some individuals would be leaving their agencies in response to financial incentives--perhaps one-time payments

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14. For such a critique of one recent proposal to restructure the intelligence community, see the submission of former intelligence officer George A. Carver, Jr., at hearings before the House Permanent Select Committee on Intelligence, March 11, 1992, Part I, pp. 96-221; see also testimony of Lt. General William E. Odom before the same committee, March 4, 1992, Part I, p. 57.

15. For an example of a former intelligence official concerned about such matters, see the statement of William E. Colby, former Director of Central Intelligence, before the House Permanent Select Committee on Intelligence, March 4, 1992, Part I, p. 29.

comparable to a year's salary--that would delay the realization of significant cost savings by about a year. The government's savings--initially, the difference between their salaries and their retirement pensions--would thus be fully realized beginning in the year 2002 (see Table 9).

TABLE 9. COSTS AND SAVINGS FROM RESTRUCTURING THE INTELLIGENCE COMMUNITY (In billions of dollars)

	1995	1996	1997	1998	1999	1995-1999	Long-Term Annual Savings[a]
Budget Authority	0	0	0	b	b	b	0.9

SOURCE: Congressional Budget Office.

NOTES: Minus sign indicates costs. Figures in the 1995-1999 period are in current dollars.

a. Average annual savings over the 2000-2004 period, expressed in 1995 dollars. Annual savings rise to $1.0 billion when option is fully phased in.

b. Less than $50 million.